

HOUSE No. 270

By Mr. Binienda of Worcester, petition of John J. Binienda and others for legislation to provide purchasing power protection for certain retiree benefits. Public Service.

The Commonwealth of Massachusetts

PETITION OF:

John J. Binienda	Anne M. Gobi
Steven A. Tolman	Richard T. Moore
Rachel Kaprielian	Emile J. Goguen

In the Year Two Thousand and Five.

AN ACT RELATIVE TO PURCHASING POWER PROTECTION FOR RETIREE BENEFITS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 The teachers' retirement board is hereby authorized and
2 directed to analyze, study and evaluate the costs and the actuarial
3 liabilities attributable to providing seventy-five percent pur-
4 chasing power protection for annuitants of the teachers' retire-
5 ment system. The teachers' retirement board shall also make
6 recommendations on implementing said purchasing power protec-
7 tion incrementally in order to secure seventy-five percent pur-
8 chasing power protection for annuitants of the teachers'
9 retirement system. In order to effectuate the funding for the
10 change in benefits for the annuitants of the teachers' retirement
11 system, the board shall prepare a supplemental pension funding
12 schedule which shall be designed to reduce the actuarial pension
13 liability attributed to the seventy-five percent purchasing power
14 protection to zero on or before June thirtieth, two thousand and
15 thirty-four; provided that in preparing such schedule the board
16 shall consider the actuarial value and the market value of the sys-
17 tems assets and liabilities, the long term investment rate of return
18 on the systems assets and the systems unfunded actuarial liability,

19 and provided further, that the board shall triennially update such
20 supplemental schedule until said June thirtieth, two thousand and
21 thirty-four. The teachers' retirement board shall file said report
22 together with its recommendations and draft legislation necessary
23 to carry out such recommendations into effect by filing the same
24 with the clerk of the house of representatives, the joint committee
25 on public service and the house and senate committees on ways
26 and means on or before December 31, 2005.